

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

October 20, 2005

Mr. Kyle Kimmerle Kimmerle Mining, LLC 4056 Beeman Moab, Utah 84532

Subject: Complete Notice of Intention to Commence Small Mining Operations,

Kimmerle Mining LLC, Neighbor Mine, S/037/119, San Juan County, Utah

Dear Mr. Kimmerle:

By letter dated June 30, 2005, the Division notified you that the surety for the referenced mining project would be \$10,500. On October 6, 2005, Doug Jensen and Paul Baker of the minerals staff visited the site with Ted McDougall of the Bureau of Land Management for the purpose of re-evaluating this amount.

It was determined that most of the site is already disturbed, and little grading would be required to reclaim the area. The portal will need to backfilled, and the pads will need to be ripped and seeded. If the exploration holes are larger than  $2\frac{1}{2}$  inches in diameter, they will need to be plugged in accordance with rule R647-2-108. (The Bureau of Land Management may have additional plugging requirements.) The surety amount for the area you have proposed to disturb can, therefore, be reduced to \$8,000.

We look forward to receiving your surety and reclamation contract as soon as possible. If you have questions about this letter, please contact Paul Baker at 801-538-5261.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

SMW:PBB:jb

cc: Ted McDougall, Monticello BLM

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